

SECURITY STANDARDS

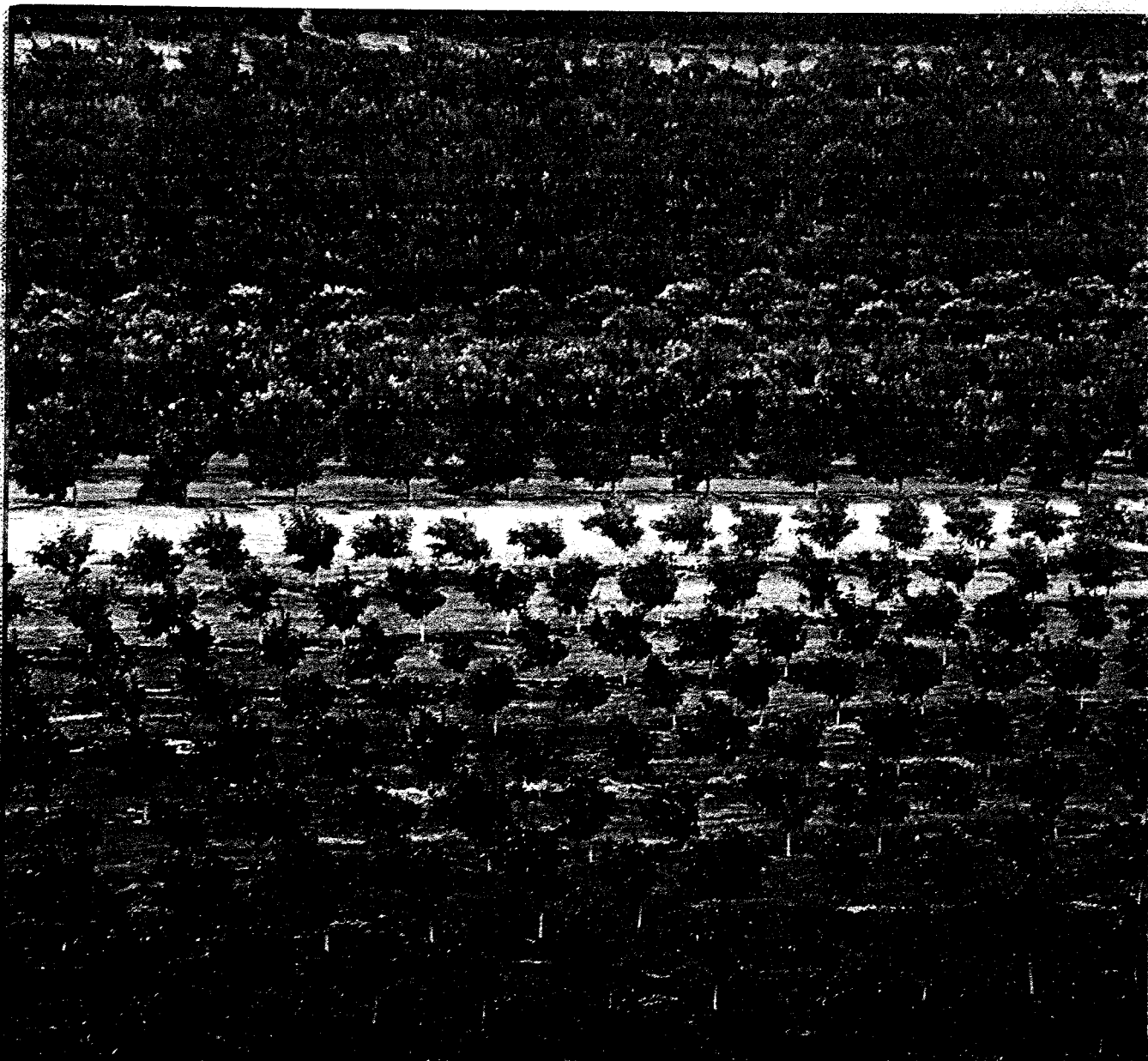
*For The Fresh Produce
Export Industry*



EXPORTADORES DE CHILE A.G.

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Introduction

The Security Committee of ASOEX (*Asociación de Exportadores de Chile A.G.- Chilean Exporters' Association*) has decided to update the Security Standards associated with the production and export of fresh produce corresponding to the 2001/2002 season. These standards are basically oriented to the prevention of any contingency or hazard in relation to the production process. They also set out the basic documentation and records required for a proper traceability of every security aspect involved.

These Standards are a complement to the official regulations issued by the public entities of the State of Chile through different government agencies responsible for the supervision of the different stages of the production process (i.e., environment, sanitary, safety issues, etc.)

These Security Standards and their associated records are an integral part of the Good Agricultural Practices and Good Manufacturing Practices Program of the industry, and are therefore complementary to these schemes. Growers and exporters throughout the country are implementing the Program's actions, namely: Hygiene and Food Safety; Integrated Crop Management; Labor Issues; Workers' Safety and Health. All these activities are appropriately documented in the Good Agricultural Practices Handbook put together by the Chilean Fresh Produce Industry.

Security is the responsibility of each and every employee of a company. The employees should ensure that all standards set out in this Handbook and other standards issued by their respective companies shall be met.

In any case, it is crucial that every one involved in the industry, as well as suppliers and service providers become familiar with these Security Standards and put them into practice.



General Security Standards

Access doors and gates to the orchards or facilities must be kept closed at all times. A proper entrance control system shall be implemented. All workers shall go through daily control at the entrance doors.

Security guards wearing uniforms and duly identified shall control the entrances. These guards shall have a check list of the personnel allowed to enter and exit the premise. The guards shall be patrolling in round-the-clock surveillance during working and off-work hours around the external and internal perimeter of the premise. They shall write down a report of this patrol in the Record of Incidents and check that no unauthorized employees are staying at the premises in non-working hours.

Every permanent or seasonal worker must provide his employer with a copy of the "Certificate of Criminal Record" issued by the respective Civil Registry Office at the time of his or her being hired. This Certificate shall be attached to his or her personal record in the company. Every employee is to receive an Identification Card indicating the section in which he or she is going to work as well as the Expiration Date of this ID badge. Workers are to wear this ID badge in a visible position at all times.

Anyone allowed to enter the premises but not related to the operation of this specific facility shall present his or her official Chilean ID document. Before entering the facility this person shall receive a Credential that would clearly state the "VISIT" status of this person. The use of different colors for the section or sections this person will be visiting is recommended. During the visit to the premises these visiting persons shall always be accompanied by a company staff.

Consumable office supplies, mail, packages, etc., received and/or taken into the place shall be subject to thorough inspection and record, after checking that the attached documentation conforms to the rules, prior to providing permission to enter the goods to the facility.

Any non-company vehicle shall first be announced and obtain a permit before entering the facility. There shall be a separate and clearly marked parking lot assigned to non-company vehicles; this parking lot shall have the most direct possible access to the Reception Office of the premise.

Every grower or export company shall appoint their own Company Security Officer in charge of the implementation and verification of all the measures contained herein, as well as of any specific measures the respective company may issue.

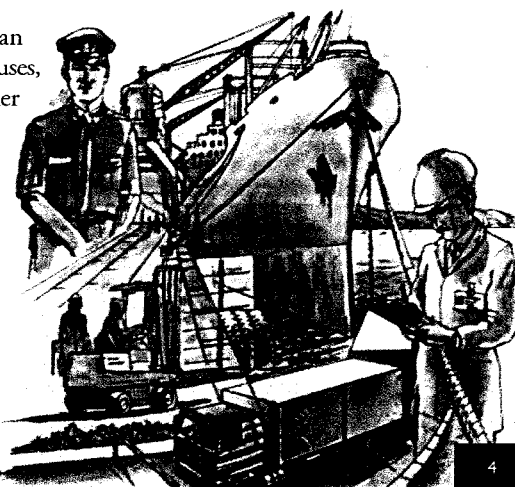
Special areas shall be assigned for meals (cafeterias) as provided for in the existing regulations. Workers are absolutely forbidden to have any meals at the harvesting or processing areas.

Every facility shall have a sufficient number of lockers for each employee to keep his or her belongings. For the security guards to have convenient visual control of any bags and packages that enter or leave the premises these lockers shall be installed in rooms close to the security personnel's lodge.

Every grower or export company must keep an updated list of all their Packing Houses, Warehouses, Cold Storage or Collection Centers or any other facility related to their activity.

The complete and trustworthy information mentioned above shall always be available, so as to be able to be submitted at any time to the ASOEX Security Committee, if so requested.

The different facilities or stages involved in the fresh produce exporting process must meet the specific provisions described in the following sections.



Orchards

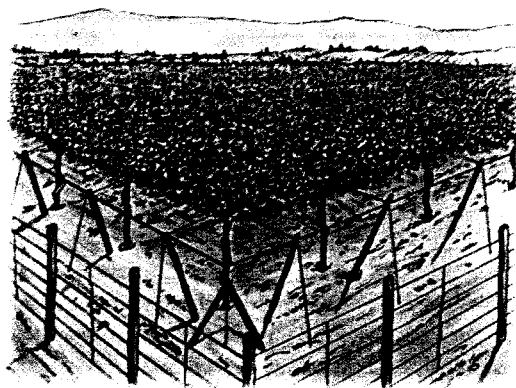
In every orchard one employee shall be responsible for the compliance with and enforcement of all safety measures specific to orchards.

Fruit orchards dedicated to the production of fresh export produce shall be duly enclosed so as to avoid the entrance of any non-authorized person. Especially during harvesting time, these orchards shall be monitored in day and night shifts, and shall have warning signs such as: "PRIVATE PROPERTY – NO ADMITTANCE".

Orchard produce shall be delivered to the packing house in a safe and protected condition. All bins shall be properly identified with the following information: Grower, Orchard, Block Number, Species/Variety, Picking Date.

Every bag and/or package carried by personnel entering the orchard must be inspected; with the exception of their working tools or elements, workers must keep all of their personal belongings in lockers specially provided to this effect.

There must be a permanent control and supervision of the orchards as well as of all their workers at all times.



Agricultural Inputs Warehouses

There shall be an Agricultural Inputs Warehouse assigned exclusively to this purpose. An employee duly trained to this function shall be in charge of this warehouse and its security. Said warehouse shall always be locked and only authorized personnel shall be allowed into it. The keys to the warehouse shall also be kept in a safe and locked place in order to avoid entrance of any non-authorized person. Fertilizers shall be stored in a separate room. Smoking shall be absolutely forbidden inside the Warehouse.

There shall be an Inventory of the products stored in the warehouse. This registry shall be updated every time any products of this kind are entered into or taken out of the Warehouse. The pesticide(s) applied, their respective dosage, the total quantity utilized in each application, and the date of application shall be recorded in the field Log book (or its equivalent record).

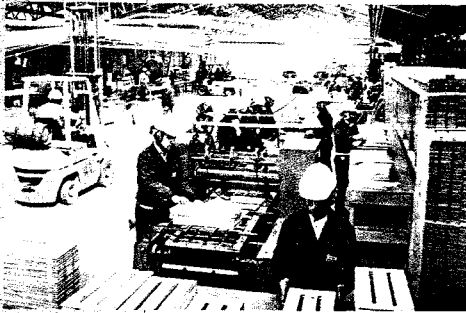
A specially trained and responsible operator shall be in charge of the delivery of pesticide products, weight, dosages, and pouring of such products into the tanks of the application equipment.

At the end of every application, and after performing the three-rinse procedure, the pesticide applicator (tractor driver) shall return any empty pesticide container to the warehouse.



Packaging Materials Warehouse

At every warehouse there shall be one employee in charge of receiving and delivering the packing materials. This employee shall allow entrance to this facility to authorized personnel only.



Since packaging materials are in direct or close contact with the edible produce they will contain, they should at all times be protected from any possible contamination; in no case shall the packaging materials contain or be in contact with any kind of foreign material, substance, rodents, insects or pathogenic microorganisms. The packaging materials shall be delivered to the warehouse in closed or sealed containers (bags, wrapping papers, trays, etc.), as appropriate.

The packaging materials, including boxes or cartons, shall never be in direct contact with the floor. The packaging materials shall be always piled on pallets or shelves.

The box assembly areas shall have a roof or be protected from contamination by environment dust, insects, birds, rodents, and any other animal.

A sanitation and spraying program of all areas in which packaging materials are stored or handled is advisable. It is highly advisable to perform regular visual inspections, especially at the corners and angles.

Smoking is absolutely forbidden in this warehouse. The facility shall be equipped with fire-fighting devices in the event of a fire. If after a fire part of the materials appear not to have been damaged, these materials shall be carefully inspected before authorizing their use.

Packing and Cold Store Facilities

PACKAGING FACILITIES

Packing Houses and Cold Store facilities shall be enclosed around their outside perimeter with an (approx.) two meters high wire fence made of wire netting or similar material.

A specially assigned employee will be in charge of all of these premises and will be responsible for the observance and enforcement of the security measures specific to Packing Facilities.

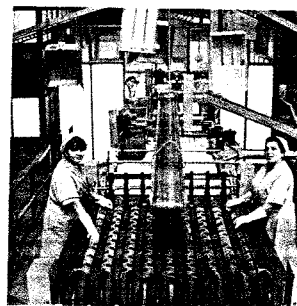
All staff, whether permanent or seasonal, shall wear the corresponding Identification Badge to have access to the packing facility. The staff are subject to be inspected and monitored. No person shall be allowed to show up to his or her working place carrying a bag. All personal belongings (including bags, rings, ear-rings, etc.) shall be kept in the lockers specially provided for this purpose.

The personnel and visits shall wash their hands before entering the produce processing and handling areas. Smoking is strictly forbidden inside this facility. Authorized external visits and company personnel from other areas must wear an overall



provided by the company to be allowed into the packing areas.

Any person not directly involved with the fruit processing areas shall have restricted access to these places. The (permanent and seasonal) workers of this area should at all times wear identification cards showing that they belong to the company and to the packing section.



When a truck enters the packing facility loaded with fruit from an orchard, the official in charge of the Fruit Reception Quality Control inspection shall verify that both produce and containers are free from any foreign material or material of unknown origin. Should any anomaly be detected, this official shall immediately notify the respective Section Supervisor in order to proceed to the corresponding investigation.

Every packing facility shall follow a sanitation and pest management program approved by a qualified expert, with records of each application. Likewise, the processing water used in the lines shall go through regular monitoring to ensure its microbiological quality.

All cartons or boxes with packed fruit shall exit the packing house wearing a label stating all the information required: Country of origin, species, variety, Grower (or grower code), Packing House Name (or code), and packing date.

Cartons or boxes stacked on pallets that are ready for final shipment or for quarantine treatment shall have a single pallet number and an attached document describing the contents of the boxes associated with each pallet number.

There must be a permanent control and supervision of the packing house as well as of its workers at all times.

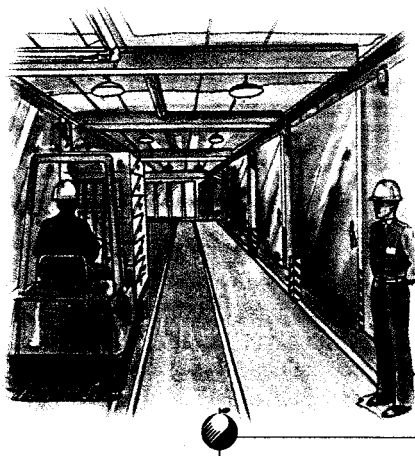
COLD STORE FACILITIES

Cold Store chambers or any other room in which fruit is stored, shall permanently be kept locked with some security device (padlock or door bolt) and/or an employee must be assigned for this purpose.

At the end of each shift, cold store chambers, fast chilling flumes and spraying chambers shall be thoroughly checked by the official answerable for the section. Only authorized personnel shall be allowed to enter these rooms. The delivery of fruit from the cold store for shipment to port or airport shall be inspected and cleared by the respective person in charge, who also is to verify that the safeguard areas, if any, are in due condition.

The cold store plants shall apply a Sanitation Plan duly approved by a qualified professional and keep records of this plan's enforcement.

All personnel performing their duties in cold store areas must undergo permanent control and supervision.



Phytosanitary Inspection and Certification

“Servicio Agrícola y Ganadero” (SAG), the Chilean Agricultural and Livestock Service, is the official Chilean agency that issues phytosanitary compliance certificates valid for any market of destination of Chilean fresh produce. To issue these certificates, SAG conducts inspections of all lots of produce exported from Chile. In several cases these inspections are conducted together with officials of foreign countries with which Chile has signed bilateral phytosanitary agreements. One of the most relevant bilateral agreements is the one Chile entered into in 1982 with the Animal Plant Health Inspection Service of the Department of Agriculture of the United States of America (USDA-APHIS).

All procedures, agreements, and regulations associated with the sampling, handling, inspection, shipment of goods to port, etc., can be found in the following official documents:

- 1) “Procedures for phytosanitary inspection of fresh, dry, and dehydrated export produce at place of origin and port of shipment”. Servicio Agrícola y Ganadero (2001), Chile.
- 2) “Operating Instructions – Pre-clearance Program – SAG / USDA-APHIS / ASOEX” - Servicio Agrícola y Ganadero , U.S. Department of Agriculture – APHIS-IS , Asociación de Exportadores de Chile A.G. (1997)(Chilean Exporters’ Association), Chile.

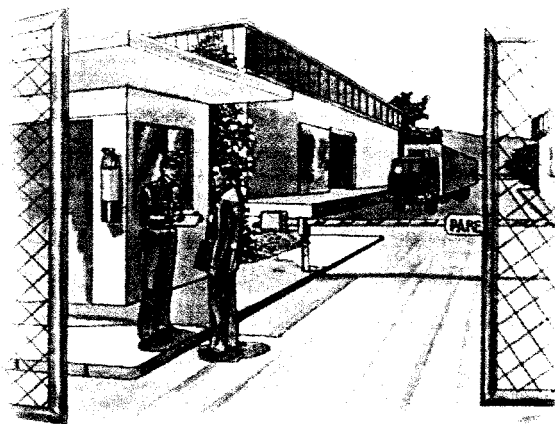
All exports of fresh produce undergo phytosanitary inspections in Chile conducted by SAG. Said inspections are performed at sites especially built and/or equipped to this purpose.

Prior to starting the loading of a ship or airplane the Chilean phytosanitary authority conducts an inspection of the cargo holds in order to verify that the goods will not be exposed to any source of contamination.

In the specific case of lots exported to the U.S. they are either inspected in Chile or fumigated on arrival in the US port or airport. Inspections are performed by SAG officials together with USDA-APHIS officials at inspection sites especially assigned to export

produce for this market. In either case, once a lot has been consolidated, it is shipped to the Chilean port (or airport) on a truck sealed by the phytosanitary authority. The seals are checked by officials before unloading. Only after documentation and seals have been found in good condition, authorization is granted to unload the cargo at the side of the ship (or airplane).

For exports to markets other than the USA, produce are shipped from the packing houses or collection centers to the port (airport) of shipment in SAG-sealed trucks. In the case of a lot that has to be inspected at the port of shipment itself, it is the professional in charge at the packing house (SAG certified officers) who has to clear such a truck. This truck is to wear the respective company's seal.



Land Transportation

Loading and shipping fresh export produce to ports or airports of shipment can be effected only from facilities that have previously been authorized hereto by the appropriate Chilean phytosanitary authorities and whose technical staff have been approved by Servicio Agrícola y Ganadero (SAG).

The following indications refer to the truck dispatch to the different shipping ports or airports.

STAFF

Packing houses shall designate the officials in charge of supervising the loading and registration of trucks for export bound produce. These persons should be duly identified.

TRUCKS

Every packing house or cold store plant shall dress a list of truckers authorized for transporting produce to ports of shipment.

Prior to allowing a truck into the plant's loading area, its documents are to be checked and recorded in order to verify that the truck belongs to the list of authorized truckers. Only the truck with its driver shall be authorized to enter the plant. At the entrance of the plant, the driver's identity is to be checked and registered and his driving license is to be retained until he leaves the facility. The truck driver shall strictly follow the written instructions delivered at the loading points. Stopping the truck at non authorized sites during the trip shall not be allowed.

LOADING

Only the staff in charge of data registration, pallet handling and supervision shall be present during the loading of the truck. Each of these employees must be wearing his or her corresponding ID badge.

The person assigned to the loading process control by the plant manager has to supervise the correct sealing of the truck door (or its canvas, in the case of conventional trucks). This official shall also be present at all times to supervise the handling of pallets from the store room onto the truck.

THE CANVAS

The loading of a truck and its canvassing, as well as the sealing of a reefer truck must be carried out in compliance with all existing SAG regulations.

If the loaded produce is fumigated or inspected at the point of origin, the person responsible and assigned by the Plant Manager must verify that the canvassing process meets the same SAG standards applicable to fruit inspected at the point of origin.

The canvas-installing crew must be duly identified and they must all belong to the plant's permanent personnel.

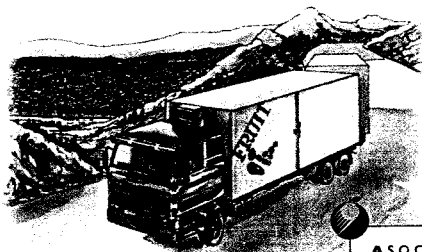
Finally, the truck shall be carefully sealed, because any broken seal will invalidate the complete shipment process.

THE SEAL

Any truck transporting fresh produce to ports of shipment must be duly sealed. Trucks and their cargo that arrive at port of shipment with broken seals will be rejected and forced to return to their packing house of origin.

Once a truck has been loaded and duly sealed the corresponding "Waybill" or "Delivery Note" shall be issued.

The Waybill shall wear the signature of the official responsible for supervising the load operation and carry the stamp of the cold storage plant or packing house. The Waybill should state that the truck's cargo is protected by a security seal.



Ports and Airports



The specific provisions contained in these Standards are complementary to the existing regulations issued by the corresponding Chilean authorities, namely: Dirección del Territorio Marítimo y Marina Mercante (DIRECTEMAR) (for ports and sea shipments), Dirección General de Aeronáutica Civil (for airports and airshipments), Servicio Nacional de Aduanas (Chilean Customs Service), Policía de Investigaciones de Chile (Criminal Investigation Department), Carabineros de Chile (Chilean Police), among others.

Every truck entering Chilean ports or airports shall have its seals in good condition and carry the complete forms and waybills in accordance with existing regulations.

All staff and employees of export companies and cargo forwarders shall be duly identified, they shall wear uniforms and be certified before the "Gobernación Marítima", (port authority reporting to the Chilean Navy), or the "Dirección de Aeronáutica" (airport authority) as appropriate; the same provision applies to truck drivers and their respective helpers.

Light - Blue Stamp	S.A.G. Inspection
Yellow Stamp	USDA Inspection
Green Stamp	Inspected in origin or fumigated

Any cargo vehicle transporting fresh produce bound for unloading at a sea port shall bear a sticker given by the Packing house or Cold Chamber Shipment Center. The sticker is to be placed at the right side of the truck's windshield and bear the name of the vessel the load is to be delivered to. This sticker is a color-code stamp indicating the type of inspection or phytosanitary control the cargo has undergone. Bearing the appropriate sticker is a prerequisite to allow the truck into the port or airport area.

If the consignment has been inspected or fumigated at the place of origin, the reception shall be performed in accordance with existing SAG procedures

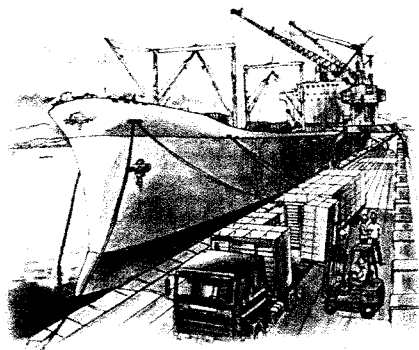
S.A.G officials at ports and airports shall verify that the seals have not been broken and that the cargo is in good condition.

In the event of damages detected to the canvas, or broken or missing seals, the truck shall be rejected and ordered to return to its packing house or cold store plant of origin for sampling in order to check that the cargo has not been damaged. The cargo may be subject to additional phytosanitary measures such as reprocessing, new fumigation, or rejection of shipment of this specific cargo at the port or airport.

In case the consignment has been rejected, SAG the waybill must bear a stamp indicating this condition.

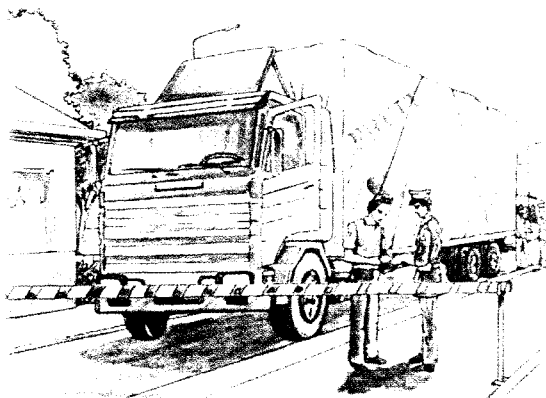
Strict rules apply to the boarding of a vessel or aircraft during its loading. Some of these rules include inspection of clothing and personal packages, as well as at all times wearing the corresponding identification cards in a visible position.

Security seals must be located at all cargo hatches and other entrances to reefer holds.



Final Considerations

The ASOEX Security Committee urges all of those involved in the production and export process of fresh export produce to strictly observe the recommendations set forth in the above regulations.





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